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ABSTRACT

Focusing on education in the United States, this paper proposes that corporately funded education will eventually replace publically supported systems. It is argued that corporate education will develop as multi-national corporations (MNC) become the dominant economic and social force in the world eventually supplanting the nation/state as we know it today. The potential for MNC displacing the nation/state is described and compared to the displacement of the Church by the nation/state. Economic and social problems facing both higher and elementary/secondary education are discussed. It is hypothesized that these problems will lead to the need for new support structures for education. It is also argued that the costs of shrinking resources and spiraling inflation will lead to an inability to support the nation/state, that this in turn will force the nation/state into supporting only basic services as priorities, and that the corporation will be the only viable institution to provide services such as education. Speculation on the form this education will take is suggested. (Author/EB)

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The End of Publicly Supported Education: A Prophecy

or

How I Learned to Stop Worrying and Love the Company School

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I. Introduction

In this paper I argue the proposition that corporately funded education will eventually replace publically supported systems. Corporate education will develop as multi national corporations (MNC)* become the dominant economic and social force in the world eventually supplanting the nation/state as we know it today. This paper will focus on education in the United States.

II. Procedure for Argument

The argument for the proposition will proceed as follows:

1. Establish the potential for MNC displacing the nation/state.
2. Discuss the economic and social problems facing education and discuss how these problems may lead to the need for new support structures for education.
3. Develop the argument that the costs of shrinking resources, combined with spiraling inflation will lead to an inability to support the nation/state and in turn will force the nation/state into supporting only basic services as priorities.
4. Synthesize the arguments into the proposition that corporations will be the only viable institution to provide services such as education.
5. Speculate the form this education will take.

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III. Multi Nationals as a Growing International Force

The displacement of the nation/state by MNC will not be sudden, easily visible or total. The displacement will develop in much the same manner as did the displacement of the Church by the nation/state. The rise of the present nation/state was the result of a series of gradual charges in man's

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* The term "corporations" will be used interchangeably with MNC.

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view of himself and his world, his science and technology, his inventions, his thinkers, pragmatic self-interest, and the need for economic survival.

The change from nation/state to MNC dominance will be segmental and cumulative, taking place within the generally recognized and accepted frameworks of current institutions. Cultural and social lags will mask the significance of the changes, and the potency of factors forcing change. There will be a series of subtle and not so subtle power struggles, a gradual change in the structure of social institutions and a gradual, albeit unconscious, public acceptance of the changes.

When dealing with great historic struggles such as that of Church and State, one may look back and identify separate events contributing to the historical outcomes and be able to engage in the luxury of analysis. One may also, with some confidence, develop a general framework of what we call a "historical period" or "era." But when we deal with the future we are forced to extrapolate from current trends and events in the present and project, in a segmented fashion, what the future might look like. In this paper we are working with the present so we will be forced to use current events to extrapolate conclusions and build a hypothetical framework to help predict an outcome for the future of education in the United States. This is tricky at best and disastrous at worst. But we will begin to establish this framework by starting with the predicted growth in power of the MNC.

a. <u>The Growing Influence of MNC</u>

Multi national corporations are competing for economic parity with the nation/states. In 1974 it was estimated that global corporations had 200 billion in physical assets and were still growing. The average growth rate of the successful corporation was two to three times that of the most advanced industrial nations including the United States.[1] In many cases some corporations' budgets exceed the gross national product of many countries. Goodyear Tire is bigger than Saudi Arabia; G.M. is bigger than Switzerland, Pakistan, and South Africa; and Royal Dutch is bigger than Iran, Venezuela, and Turkey.[2]

Economic power of this magnitude obviously offers an opportunity to influence other economic situations. But other than economic power the structure of MNC provide other kinds of power to influence events.

Part of this power, besides the evident one of financial power, lies in the MNC present ability to be flexible in decision making. Business decisions are being made daily by people owing no allegiance to any nation/state. They are far removed from the political process of the nation/state.

They have no political constituency or electorate to whom they must answer. They may move where they will to maximize profits. They needn't worry politically about the percent of unemployed in any country. In short they are men without countries, not only in allegiance but in deciding where profits are made, offering latitude in placing their businesses where they provide the greatest financial return.

For example, 40% of the net profits of the top 298 American based MNC are earned outside the United States. About 75% of assets of the electrical industry are abroad.[3] Over 50% of the 100 billion invested by the petroleum industry is overseas and 30% of U.S. imports and exports are bought and sold by 187 U.S. based MNC through foreign subsidiaries. It is estimated that by the mid 1970's, 90% of overseas sales of U.S. based corporations will be manufactured abroad by American-owned and controlled subsidiaries.[4]

These decisions and business placements will have more impact on daily lives than the decisions of governments. Indeed, business decisions on the magnitude of those made by MNC often determine governmental decisions. George Ball writes:

> Corporations that buy, sell and produce abroad do have the power to affect the lives of people and nations that necessarily challenges the prerogatives and responsibilities of political authority. How can a national government make an economic plan with any confidence if a board of directors meeting 5,000 miles away can by altering its pattern of purchasing and production affect in a major way the country's economic life?[5]

b. <u>Challenges to MNC</u>

MNC are not going unchallenged. The question is how effective these challenges can be in the long run. For example, labor is mobilizing political power. Older domestic industries, such as shoes and textiles, are fighting back. But as long as the consumer, in a period of inflation, has the option of buying cheaper foreign goods these kinds of challenges will be effective on only a short-term basis. The decline of the dollar is accompanied by the decline of purchasing loyalties.

National governments are questioning the growth of the MNC's and a number of conferences have been held throughout the world to address this

issue. But MNC can more efficiently handle the shrinking world wide resource base providing the optimum production of scarce resources for a dependent world. Conferences cannot change that hard fact.

Revolutionary groups have attacked the MNC, using highly placed personnel as targets for kidnapping and assassinations. These actions offer little long range danger to the MNC since the governments of the nation/states are themselves threatened by these same groups and work desperately to suppress them. The internal security apparatus of nation/states, and the nation/state itself, then become allies of the MNC at no expense to the MNC.

And finally, young people are questioning the MNC on issues of social justice, economic distribution, and ecological survival. But young people get old, causes fade and jobs are needed for families. Many were the young anti-establishment students I have known who are now comfortably ensconced in corporate offices wearing pin stripe suits and for whom the Standard and Poor's index has replaced Marx and Mao. I am afraid, too, my confidence in the altruistic principles of young peoples' activism for social causes has been diminished after my noting that the great outpouring of concern on campuses for the suffering in Southeast Asia, and the plight of soldiers, came to a halt with the end of the draft.

MNC will survive these kinds of challenges. MNC will increase in power as the declining influence of the nation/state, the turmoil and financial problems of sovereign governments, create a vacuum in their ability to provide services, their ability to create and sustain institutional structures such as education.

Barnet and Miller state:

> In practical, specific ways the growing power of a few global corporations is eroding the traditional prerogatives of the most powerful nation state(U.S.)...The conflict between the managers of global corporations and the managers of the U.S. government is certain to grow as more and more crucial decisions about what the United States is going to look like in the twenty-first century pass into the hands of business enterprises.[6]

The next section will discuss problems facing one "governmental-institutional" structure, education, to see why, in the twenty-first century, it may end up a "business-institutional" structure.

IV. The Vulnerability of Public Education: Higher Education, Elementary and High School

A complex society has many institutions vulnerable to subtle changes in the society. Some institutions are more vulnerable than others. Education is one of these.

Higher education is vulnerable in two ways. First, it is dependent upon individuals being able to pay education costs out of their own pockets. Second, the educational institutions are dependent upon the taxpayers' willingness and ability to make education a priority item in their budgets during a time of growing reduction of purchasing power and increasing costs in the basic necessities of life. This is another way of saying higher education is dependent upon the ability of the government to generate enough funds to provide quality educational facilities which can be purchased within the average person's financial capabilities.

Public and private higher education, and also elementary/secondary education, are further vulnerable because they are increasingly dependent upon the nation/state for funding. They have almost become a part of the nation/state itself. Witness the growth of the power of HEW, the proposal for the separate Department of Education and the ability of the Congress and federal courts to determine local and state policy. If the financial conditions of the nation/state changes to a great extent, so will the viability of public education.

And finally, all of education is vulnerable. It may always be trimmed financially without any immediate sense of social or personal deprivation as would accompany a trimming of fire or police protection, or a trimming of public funding for roads, or utilities such as sewage or water.

The following portion of this section will deal with higher education. The last portion with elementary and secondary education.

a. Higher Education

Cost increases may price higher education out of the reach of many for whom it was previously available. A study by the College Scholarship Service predicts the average cost of a public four year college for in-state students living away from home will be $3,005, while costs of a private college will run from $4,900 to $7,500. While tuition is expected to remain stable "all other costs" will rise 5.1% for residents and 2.1% for commuters. Tuition and fees at public colleges

account for only 21% of the student's budget while room and board (the "all other costs") account for 48%.[7] Unfortunately it is the room and board costs, and other non-tuition related costs, which are most affected by inflation and subject to unanticipated increases.

Further, costs will probably increase each year. The cumulative costs will have greater overall effect than will the partial yearly rises. For example, from 1970 to 1978 costs increased 62% for commuter students and 69% for residents. Two year public colleges, designed to offer public educational options to low income students, experienced a 75% rise.[8] This cumulative effect was caused by increases progressively greater than the year before. So the estimated 1978 costs will certainly not be the end of the cost spiral to the student.

The parent will be under mounting financial pressure to rank his budget priorities. It is estimated by Leon T. Kendall, president of Mortgage Guaranty Insurance Corporation, that there will be a persistent 7% inflation increase in the economy. Homes which today sell for $44,000 will be $177,266 by the year 2000, and a Big Mac will sell for $3.54. However, some economists call this too optimistic and predict a 10% yearly rise, sending the cost of the house to $325,611, and the staple of the American diet, the Big Mac, up to $6.51. It is estimated that utility costs, food and medical costs will continue at more than 10%, leaving the responsible parent to weigh a college education against the priorities of basic existence.

If costs have almost priced the student and parent out of college, costs threaten to price the college out of existence. State Universities are operating in a fashion which reminds one of scenes from the old movie comedies. There is the great steam engine race in which the train itself is systematically dismantled and fed into the engine's furnace so the engine can keep on chugging.

Even though the University train seems to be moving along as usual, those in the University know the engine is pulling at the expense of the structural integrity of all for which the engine exists. Cutbacks threaten educational programs and the quality of these programs. Staff morale is low, as opportunities for quality scholarship and teaching are diminished while still more is asked in service. Salary increases no longer cover the cost-of-living increases. Benefits become minimal. Support systems needed to fulfill a teaching and scholarship mission are eroded. Justification for existence must be documented in bookkeeper

fashion to State Legislatures who themselves are now forced to slice the tax pie into smaller pieces. The common thought on campuses is that the number of credit hours generated is the criteria for continued reward and existence. The most important office becomes the business office and an effective Dean or Chancellor is one who can increase credit and teaching hours while holding the budget stable. The decrease in enrollments has forced Universities into hawking their wares like salesmen, selling themselves for grants and invading other states with raiding parties from the Division for Continuing Education.

The difficulty libraries are experiencing will serve as one example of the inability of Universities to continue to function as before. Libraries are chosen since one indication of a strong higher educational system is generally considered to be its support systems for teaching and research. Libraries are a foundational support system.

In discussing the future of libraries in relation to the future of higher education, Robert D. Stevens, chief of the copyright cataloguing division of the Library of Congress states:

> Shrinking university enrollments and budgets will either slow down the installation of new doctoral programs (or) bring them to a halt...budgets will be constrained. More than half the library schools will limp along with funds barely adequate to cover teaching loads while paying lip service to the notion that a faculty inadequate in numbers can perform a high level of research and community service.[10]

The director of the University of Pennsylvania Libraries writes:

> Libraries are cutting their expenditures for books and journals because they do not have the acquisition funds... The unpleasant fact is that we must eliminate positions if we are to make significant cost reductions to cope with inflation and no growth budgets...Academic libraries are sharing the financial troubles of their parent institutions and public libraries those of local governments that support them. These troubles come from long-term economic, social and demographic trends; they will probably get worse in the decade ahead...the fact is libraries can no longer afford to maintain the collections, staffs, and service levels that librarians and users have come to expect in the last two decades. Libraries are experiencing a substantial loss in their standard of living as a result of inflation, increasing energy costs, and changing priorities in our society.[11]

The problems of higher education are not simply personal and institutional budget problems. They reflect ever growing world-wide scarcities and the need individuals and nation/states have to alter priorities in order to exist. They reflect the inability of the nation/state to gather

unto itself the power and relative affluence that comes from the ability to control and allocate the scarce resources.

The problems of higher education are seen today as small crises in a host of crises facing society. But the responses to these small crises result in imperceptible changes in the structure of a society. The imperceptible changes, which at this time in history offer us no pattern, will weave a pattern when viewed in retrospect as did the series of great and small crises of the Church/State struggle though the pattern was not perceptible to the participants and observers of that day. The crisis in higher education is one part of a series of greater crises taking place on a broader economic front.

b. Elementary and Secondary Education

Public education at the elementary and secondary levels has lost public support. Elementary and secondary education is seen as having failed in its primary role of developing basic achievement skills. Some reasons for this failure have been the erosion of social and institutional support systems such as family, church and media. So much has already been written about these aspects of the public's disenchantment that we will not discuss them in this section.

Instead, the discussion will focus on other kinds of developments which have a potential for creating an eventual acceptance of private and corporately funded education. These developments concern the Social/Corrective role given schools.*

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*Social/Corrective change is usually developed to meet various crisis situations. It is palliative in nature. It is meant to answer the question as to "Why Johnny Can't Read," or the challenge felt in the launching of a Sputnik, or the awakening of minority awareness. Examples are career education, Black Studies, women's rights studies, bussing, mainstreaming, Right-to-Read Programs, etc. The changes have little theoretical or research basis for implementation, and are not an "educational" necessity but are implemented to satisfy popular thought or pressure groups.
From a paper by Russell Doll, "The Defining and Limits of Educational Innovation and Change", presented to the Association of Teacher Educators, Georgia State University, Atlanta, Georgia, January 1977.

This role deals primarily with ideological issues rather than instructional.** It is a role founded in the Democratic Revolution whose roots go back as far as 1760. It is a role which has as its basic premise the idea that man and society are perfectable. Institutions and governments intervene in an appropriate manner. The school has been seen as the primary vehicle for this perfection, and programs and policy have been constructed to use the school as the intervening institution.

An idea guiding this intervention and which evolved from the basic premise of the Democratic Revolution is that of absolute equality. The public schools, as they evolved, have been assigned the role of realizing this equality for the society. But somewhere there developed the idea that the only way to do this was to make the school an idealized replica of the outside society regarding teaching, programs, policy, and student rights. Lately these rights have even assumed the importance of requiring Constitutional interpretation and Congressional action. As a result, programs and mandates have been handed schools, which programs and mandates are ideological in nature. They have no research or knowledge base but have an affective base which is given credibility through pressure politics and political action and political decisions. Influencing the decisions as to which ideological issues are to be addressed are governmental agencies, the courts, racial and nationality groups, children's rights groups, liberal and conservative community groups, political community groups, women's groups, and professional groups, to name a few. The result is to carry to its ultimate conclusion the idea of equality. The culmination of the Democratic Revolution has been reached in the public schools. Others say the result is a perversion of the democratic ideal.

Court mandates, for example, have dramatically altered the function of the public schools. The courts have extended constitutional privileges into the kindergarten and through 12th grade. While this may be defended legally and theoretically, it is seen by some as undercutting the latent function of the school which is to serve as an acculturating institution.

**Ideological defined as not necessarily being related to basic skills development, but primarily to the function of social ideas, affective outcomes or pragmatic outcomes. These issues often have no strong traditional or empirical basis for implementation but are based on someone's idea of a "Good". In some instances "ideological" attitudes are found in the advocacy of instructional methods or programs. Ideology is not used here in the same sense that Daniel Bell does in The End of Ideology or Richard Pratte in Ideology and Education or Jerome Karabel and A. W. Halsey in Power and Ideology in Education.

It is argued that the culmination of experiences in school, both just and unjust (within reason) serve to develop strengths to help a child be better able to cope with many of life's injustices. An important latent function of schooling, then, is to serve as a critical rite of passage. But to function as a rite of passage, full adult privileges should be withheld. It is only recently in human history, in our technological society, with the discovery of childhood as a unique stage in a person's life, and with the invention of adolescence, that a society's full privileges have been confirmed at birth. By granting full adult privileges while the child is still in the acculturation institution is to negate this function. In an ironic fashion the legalistic determination of school policy has added to teachers and administrators problems as acculturating agents at the same time the wider society cites the school as being a failure in this role.

The Social/Corrective role, with its plethora of programs and goals, has also led to less time spent in teaching. More time is now spent in interacting with children in mainly opinion shaping activities. This has resulted in teachers' workshops, instructional materials, and classroom instruction reflecting a subtle kind of brainwashing in the relativity of social concerns, an ideological bombardment concerning transient social movements. An unplanned outcome of all this is the growing resentment of parents and taxpayers who see themselves supporting schools advocating issues with which they strongly disagree.

In the attempt at absolute equality and unquestioned fairness there has developed a relativistic philosophy in moral and ethical issues. There is little of direct guidance in traditional attitudes towards country, family, church, the internalization of moral behaviors. Instead, children are given large doses of reality, national myths are debunked, and moral and ethical imperatives used as examples of bias in thought. The whole ethos of schools and schooling has been dramatically changed by this move from moral and ethical absolutes in the quest of total fairness. As one lawyer has stated at a meeting of educators, to be fair to the developing child he is to have the "right" to even greater latitude in what he reads than do adults. The "right" would extend to the reading of children's books such as <u>It's O.K. If You Don't Love Me</u>, <u>It's Not What</u>

You Expect, Taking Sides, and Mr. and Mrs. Bo Jo James, which books deal with oral sex, intercourse, orgasm, masturbation, pregnancy and abortion, a girl who lives with a father who sleeps around, and a teen-age couple who marry because she is pregnant, and a good bit of four letter vocabulary. Ms. Zena Sutherland, editor of The University of Chicago's Bulletin of The Center for Children's Books, comments on their use and her comment sustains the point to be made. She states, "I can only say of a book that I wouldn't give it to my own kid, or that it's pretty tough stuff...My preference would be to leave out the four letter words, but I can't condemn a book because of them. It wouldn't be fair to the authors or to the kids" (underlining mine). The quote reflects the moral and ethical vacuum of public schooling.

Somehow the public senses the dangers in this kind of schooling, even though they may not know why. But Henry Bramford Parks, in Gods and Men, points out the influence of the myth on a society and the decline of civilization once a society and its people no longer have a foundational ethos. Richard Weaver in a magnificent book, Ideas Have Consequences, argues persuasively that it is not only a kind of pseudo-intellectual exercise which sees all things as relative and all things legitimately open to debate, but points out the necessity for a society to be able to give value judgments on rights or wrongs. Solzhenitsyn would see the comment of Ms. Sutherland as another indication of the loss of a moral imperative in our society. But as a sociologist, my greatest worry is the inability of the school to provide a foundation on which the child may build when being engulfed by the tide of realism and relativity. Nikos Kazantzakis says in his autobiography, A Report to Greco:

> In Greece as everywhere, once realism begins to reign, civilization declines. Thus, we arrive at the realistic, magniloquent, and faithless Hellenistic era, which was devoid of supra personal ideals. From chaos to the Parthenon, then from the Parthenon back to chaos--the great merciless rhythm. Emotions and passions run wild, the free individual loses his powers of discipline; the bridle which maintained instinct in strict balance flies from his hands. Passion, emotionality, realism... A mystical melancholy yearning suffuses the faces. The fearful mythological visions become merely decorative. Aphrodite undrapes herself like an ordinary woman, Zeus acquires voguishness and elegance, and Hercules regresses to a brute. After the Peloponnesian War Greece begins to disintegrate. Belief in the fatherland is lost;individual

> self-sufficiency triumphs. On the stage the protagonist is no longer God or the idealized youth, he is the wealthy citizen with his lascivious pleasures and passions--a materialist, skeptic, and libertine. Talent has already replaced genius; now good taste replaces talent. Art becomes filled with children, coquettish women, realistic scenes, and men either brutal or intellectual.[13]

Now this is Kazantzakis who loved life and lived it to its fullest, as did his literary creation, Zorba. But he was quite aware of the dangers of myth shattering, of unbridled intellectual passion and the need for a society to have some absolutes.

I am convinced that parents and taxpayers are rebelling not only against what they see as a failure to teach, but against the "Social/Corrective" role the school has been forced into and the perceived outcomes mentioned above. They are rebelling against national and state governmental intrusion into the schools; against time and money spent in Social/Corrective actions often dictated by pressure groups; against the displacement of moral and ethical leadership in the schools in favor of the relative ideas of the larger society.

These are reasons why parents and taxpayers will become increasingly reluctant to spend their tax money, in an inflationary economy, to support an institution seen as detrimental to their interests and their children. It is one of the reasons for the upsurge in religious and private schools and the request for government aid or tax abatements or refunds to help support these schools. They see public education as no longer educating, but molding. And parents are beginning to resent their children being molded according to the ideas of the most vocal, or the ideas of the ideologists, or relativistic moral principles, or by courts, or by government mandates.

V. The Coming of the Company School

It is impossible at this time to identify, with precision, what the scenario will be during the move from public education as we know it today to the corporate education of the future. However, the following progression of events are offered as one possibility.

World wide resource scarcity will necessitate greater use of increasingly sophisticated technology and a consolidation of production strategies. Using oil as an example, a Rand Corporation report states that the world has only a 60 to 90 year supply of oil and predicts it is unlikely that any new discoveries will be made anywhere. After that, oil will need to come from shale.[14] It would take monumental technological, and experimental advances to develop and perfect the needed alternative sources. It would also take a concentrated and expensive "re-tooling" of our whole society. It is becoming obvious that organizations best equipped to do this are those who can operate outside of national boundaries and loyalties; who need not worry about political constituencies; who can be cold and coolly efficient in their operation. At present global corporations best fit this description.

As resources shrink but the necessity to maintain a complex technological society continues or increases, the costs of the resource supply, manufacture of materials, search for alternatives, and research costs will increase. With this increase will go increases in every aspect of a person's life; housing, food, materials, utilities, service, etc. Both the basic and non-basic areas of life will feel the strain. Individuals will find greater portions of their budgets going to basic necessities simply to sustain themselves. We see that happening today. In many of the large cities municipalities had to provide people with money to pay fuel bills two winters in a row and must now assist people in paying electric bills. The move towards generic foods is another indication for many people that every corner which can be cut will.

One result of this continuing shrinkage in real income is the growing pessimism the average person feels about the economy. Data from a survey reported on in September by the University of Michigan's Survey Research Center shows that its index of consumer sentiment is down 78.4--the lowest point since the end of the 1974-75 recession.[15] The index, using a February 1966 base of 100, has been declining since the end of the first quarter of this year. Dr. Richard T. Curtin, in giving the report, stated, "There is increased pessimism about the economic prospects. Only 14% responding to the survey believed their income will rise faster than prices." This has lead to a buy-in-advance-to-avoid-higher-prices-later theory which has skyrocketed the consumer debt to 3.3 billion. Curtin does not see government assurances

being able to build up too much optimism. He states:

> All of our forecasts are built on an assumed inflation rate of 7% which was the administration forecast, but the food inflation rate up-to-date was 20 percent...What (people) read in the newspaper and hear from Walter Cronkite is not as influential as what they see when they put a new bottle of ketchup on the shelf and the old one has a price tag that is half as much.[16]

In time the average wage earner will be forced to spend the maximum part of his budget on basic necessities such as food, heat, light, housing, insurance for home, etc. When this happens ordering of priorities takes place.

With the loss of confidence in public education at the lower levels and the hostility generated by its Social/Corrective role, it is not likely that taxpayers will be inclined to make public education one of these personal priorities. Indeed, on interviewing people in California after Proposition 13 regarding the detrimental effect of its passage, there emerged a persistent theme of not caring what happened to public education since the tax money was being used to support social beliefs with which they disagreed. A result of this loss of confidence in public education will be the growth of parochial and private schools. This growth, coinciding with the ever increasing costs of higher education to the individual and the State will force a demand for financial aid.

It is the state and nation/state to which the person will turn for this relief. This will coincide with a period in education in which subsidies will be provided taxpayers by the state and nation/state. This period will further encourage the rise in the parochial and private schools at the elementary and high school level and a continued decline in higher education as subsidies will not be enough to cover educational costs. The kind of subsidies offered might be tax rebates, direct grants, vouchers, etc. This period will also see a dramatic decline in public school enrollment except for a greater number of low income children.

However, states and nation/states will be forced to order their priorities as well as individuals. We see this happening daily as municipal and state governments end up on the edge of bankruptcy. Cleveland, New York, Toledo, Missouri, and California, to name a few, are nearing serious financial strain. In some areas the states and municipalities

are being forced to order their priorities through tax revolts, which revolts are a reflection of individuals needing to channel more and more dollars to meet immediate basic needs.

This attitude is seen in the statement of John McDonough of the Taxpayers Defense League. He states,

> "...they say that the people demand the services, the Taxpayers Defense League says we're tired of hearing about and paying for 'demands for service.' We say it's high time government heard tons more about the families bills--doctor bills, repairs for car, school costs, charge account payments, and so on and on. Families can't make it if government keeps taxing more and more away from the home. We only wish the families were getting as rich as government. If you want more money earn it through economic growth: get going and earn it like we have to." [17]

Retrenchments based on taxpayer unrest are being advocated in states and municipalities around the country. The choices are being made and the "frills" and vulnerable parts of the social support systems are being eliminated with greater regularity when the taxpayers have the opportunity. As for the nation/state, it too will be undergoing a siege of its financial stability at the same time municipal and state governments will be calling upon it for subsidies.

There has recently been an exodus of banks from the Federal Reserve system because of the cost of membership. But the cost of membership is actually an indication of fiscal solidness. The dollar is in trouble around the world and its revival cannot happen without dramatic monetary changes unfavorable to the United States. The projections of the Wharton Econometric Forcasting Associates, an organization owned by the University of Pennsylvania, states that "...solutions to the inflation problem seem to be restricted to a major and extended recession or a long period of slow growth..." An attempt to spur the economy it suggests, would carry with it the risk of a serious and prolonged economic recession that would hurt everyone.[18] There was a $3 billion trade deficit in July which is continuing. Combined with this is the artificial buying to beat inflation but which one day must have the bottom drop out of it because of the staggering personal debts this causes. When this happens retail sales will plummet and Wall Street will react like a pricked balloon. And if these events are not enough,

a group called the National Taxpayers Union is calling for a national convention to rewrite the Constitution to include an amendment calling for a balanced budget. It now has the approval of 22 of the needed 34 state legislatures. Some constitutional scholars fear it could turn into a no-holds barred affair with a good chance of success. It is a developing hard fact of national life that the United States will need or be forced into a massive national financial retrenchment which will mean curtailment in many services.

The retrenchment is inevitable for the states and the nation/states can provide only as many services as can be supported by a tax paying public. The more services asked for the more money needed, and the more money which must be gathered by taxes. The more money gathered by taxes the more money must be earned by the taxpayer. If not, the taxpayer loses a part of his standard of living. If he does not want to lose his standard of living then he must list his priorities for spending or rebel against the most vulnerable source which at the present happens to be the taxing authority. It is at this point at which the taxpayer will be willing to forego services from the state or nation/state to keep taxes down. In the national retrenchment the subsidies to education will be cut, leaving few options for schooling.

Coincident with these events, and as stated before, there will have been massive disenchantment with the Social/Corrective role of the schools. This disenchantment would have led to a massive exodus from the school systems experiencing the corrective actions. These systems are located mainly in areas in which large corporations now have substantial capital outlays and need an executive, managerial, and bluecollar work force near their place of work. To be able to meet this need, fill the educational vacuum, bring some degree of stability to the educational scene, and provide education free of governmental control, corporations will slowly begin to become part of the support system for private education. The beginning of corporate entry could very well be made by first providing educational financial benefits to executive and managerial personnel as incentives to move to their place of business and to defray the cost of parochial and private education at both the higher and elementary levels. As the decline of the public schools continues these benefits will be offered

to all corporate employees. From this, I would predict a growing sense on the part of corporations that they would probably be able to do the job cheaper themselves and with curriculums more to their liking. Eventually we will see corporate private schools run by a consortium of corporations. It is at this point that public education, as we know it, will begin to fade away as did the educational systems and methods of Greek and Roman education, the education of the early Christian years, the education of the Middle Ages, and the educational processes which were themselves replaced by public education. For it is also at this time that the nation/state will be disappearing in the form we know it today as will be the framework of governments built by the Democratic Revolution. For the Democratic Revolution will be at an end and the Age of Corporate Worldwide Management will have arrived.

V. Indications of Business Involvement in Education

There are already mechanisms in operation which provide the potential for further business involvement in education. For example, 50 carefully selected Ph.D.'s are attending a Careers in Business project to groom them for business, to ease the oversupply of humanities professors, and to offer some of the best prospects from academia a chance at a corporate career. This program was funded by grants from AT & T, General Motors, Sun Chemicals, and Prudential.[19] This program is being closely observed to see whether gifted, but underpaid and discontented university people can fit into the corporate structure. They expect a lot of applicants as state budgets become strained in their support of higher education.

The American Council on Education[20] has issued a report showing that 610 corporations spent an estimated 2 billion on employee education programs in 1975. These are direct expenses and do not include wages and salary paid. Tuition aid programs were most popular, 89% of the companies offering this alternative. About 1.3 million took part in the tuition aid programs. The larger the company the more likely it is to have education programs and to spend greater amounts on them. When asked what was the incentive to do this, company spokesmen stressed that the performance of the school system in work preparation and basic skills was "adequate to fair" but mainly "inadequate or poor." While most of the firms employ outside consultants over 40% employ 45,000 teachers on a full time basis. The fringe and retirement bene-

fits are the same as those of regular employees. Contrasted to life in academia or the school systems, these teachers thought they were in Fat City.

Another example of the potential of industry entering the field of education is seen in the results of a survey of 90 presidents of some of the top corporations in the country. When asked their opinion of the success of higher education in producing an educated person, 81% felt higher education to be only fair or a failure. When asked if their corporations might be interested in joining others to start a university of their own, 86% answered yes.

And finally, a debate is currently raging among corporations as to whether or not continued corporation foundations and individual support should be given to universities who have professors or courses seen to be undermining the free enterprise system.[21] An alternative being offered is to use the money to start their own schools in competition with "anti-capitalism" universities.

VI. Summary Statement

If we accept the idea that public education is dependent upon the nation/state and local governments; and if we accept the idea that education is a vulnerable part of societies basic priorities; and if we accept the idea that MNC are becoming a determining influence in the shaping of the outcomes and events of nation/states and individual lives; and if we accept the idea that nation/states are entering a period of diminishing resources and weakening economic power; and if we accept the idea that MNC might eventually fill this vacuum even to the extent of supplanting the nation/state as a governing body; it is not too great a leap in logic to argue that an institution unable to be supported by the nation/state might eventually become part of the social support system of the MNC. The process however will be as gradual as aging or as the transformation of historical periods.

So in the future we may see a university of IBM drawing its students from Pet Milk Elementary and Edsel Ford High.

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